Purchase of DAP

*291. SHRIMATI SAROJ DUBEY: Will the Minister of CHEMICALS and FERTILIZERS be pleased to state:

(a) whether the Fertilizer Assoication of India (FAI) determines the price for import/purchase of DAP Phosphoric acid from various countries;

(b) if so, the price per ton and the quantity of DAP phosphoric acid imported/purchased from various countries by the Fertilizer Association of India, during the last three years, year-wise country-wise;

(c) whether it is also a fact that the FAI also purchase/deal in the purchase/import of these fertilizers from various countries, separately; and

(d) if so, whether any analysis has been made of the purchases made by FAI for Government and for itself and if so, the details of its findings?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHHATTRA PAL SINGH): (a) No, Sir. Fertilizer Association of India (FAI) has no role in import of DAP. However, few phosphatic fertilizer manufacturers have formed a consortium under the ageis of FAI to negotiate price and other terms and conditions with the suppliers of phosphoric acid. After the broad settlement of price and other terms, commercial transactions related to actural placement of purchase order takes palce directly between the buyers i.e. manufacturing units and the suppliers/exporters. The consortium arrangement covered about 7.38 lakh (MT (31%) of the total 23.70 lakh MT phosphoric acid procured for manufacuring of phosphatic and potassic fertilizers in 2002-2003. Balance about 16.42 lakh MT of import/ purchase of phosphoric acid was made by individual fertilizer units as part of their commercial activity during 2002-2003.

(b) The details of per ton price of phosphoric acid negotiated, the quantum of imports through FAI consortium and total purchase is given in the enclosed statement (*See* below).

(c) No, Sir.

(d) Does not arise.

Statement

Details of the prices negotiated by the FAI consortium during the last three years are as under:

Year	Price US $/per MT
2001-02	348.50 with 150 days credit
2002-03	341.50 with 150 days credit
2003-04	356.00 with 150 days credit

Country wise import of phosphoric acid through FAI consortium:

(Qty. in 000 MT)

Source/Country	2001-02	2002-03	2003-04 (allocated)
OCP/Morocco	562.00	375.60	500.00
GCT/Tunisia	284.60	297.60	245.00
LCC Lebanon	29.70	36.50	40.00
JPMC/Jordan	0.00	27.90	0.00
Phoschem/USA	62.60	0.00	0.00
YPIEC/China	3.10	0.00	0.00
Total purchases through consortium	942.00	737.60	785.00
Total purchases of phosphoric acid during the year	2163.90	2369.80	